



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

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STATE SUPERINTENDENT

Child Development and Care (CDC) Program Change

You are receiving this letter because you are a CDC provider or family who receives a child care subsidy. We want to inform you that effective December 13, 2015 (PP 526), the CDC Program is changing how a family's subsidy copayment is calculated. Income-eligible recipients will now have a flat-rate copayment that will be based on income and family size. It will be called family contribution.

Important Information about Family Contribution:

- Family contribution is a flat-rate copayment per child, per pay period.
- The family contribution amount will be deducted from the child care provider's payment.
- If you use more than one provider, the family contribution will be deducted from the first provider issued a payment after successfully billing.
- The family is responsible for any child care balance not paid by the department to the child care provider.
- The family contribution will be deducted if a child is in attendance any amount of hours during the pay period, including absence hours.
- If the family contribution exceeds the provider's payment, no payment will be issued by the department, and any remaining family contribution will be deducted from future payments issued for the same pay period.

Reminders:

- Income eligible families enter the CDC program with a \$15 family contribution, per pay period.
- At redetermination, the family contribution may increase due to changes in income or group size.
- Families using a 3, 4, or 5 star-rated child care provider do not have a family contribution amount deducted from their provider's payment.
- Information about becoming a star-rated provider is located at www.GreatStartToQuality.org.

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Family Contribution and Income Eligibility Chart

Family Contribution (FC) Based on Income Eligibility

Group Size	1, 2	3	4	5	6	7	8	9	10
\$15	\$1,607	\$1,990	\$2,367	\$2,746	\$3,123	\$3,500	\$3,877	\$4,254	\$4,634
\$20	\$1,765	\$2,407	\$2,876	\$3,347	\$2,816	\$4,284	\$4,753	\$5,223	\$5,694
\$25	\$1,922	\$2,823	\$3,384	\$3,947	\$4,508	\$5,068	\$5,626	\$6,191	\$6,753
\$30	\$2,079	\$3,239	\$3,892	\$4,547	\$5,200	\$5,852	\$6,499	\$7,159	\$7,812
\$35	\$2,236	\$3,655	\$4,400	\$5,147	\$5,892	\$6,635	\$7,373	\$8,127	\$8,871
\$40	\$2,394	\$4,069	\$4,906	\$5,744	\$6,581	\$7,419	\$8,256	\$9,094	\$9,931

FC (per child per biweekly pay period)

How your family contribution works:

Family Contribution Amount	Provider Type	Provider's Rate	Subsidy Reimbursement Rate per hour	Biweekly Hours of Care	Subsidy Reimbursement Amount to Provider
\$0	3 star, Child Care Center (Birth to 2 ½)	\$5.00	\$4.25	90	\$382.50
\$15	2 star, Child Care Center (Birth to 2 ½)	\$5.00	\$4.00	90	\$345.00
\$15	Unlicensed, Level 2 (Birth to 2 ½)	\$3.00	\$2.20	90	\$183.00 (to parent)
\$0	3 star, Registered Family Home (Birth to 2 ½)	\$3.50	\$3.40	90	\$306

Families using a 3, 4, or 5 star-rated child care provider do not have a family contribution amount deducted from their provider's payment.

If you have any questions about the changes outlined in this correspondence, please call 1-866-990-3227.

Sincerely,

Lisa Brewer Walraven
Office of Great Start
Director, Child Development and Care